

106TH CONGRESS  
1ST SESSION

# S. 1587

To amend the American Indian Trust Fund Management Reform Act of 1994 to establish within the Department of the Interior an Office of Special Trustee for Data Cleanup and Internal Control.

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 15, 1999

Mr. CAMPBELL introduced the following bill; which was read twice and referred to the Committee on Indian Affairs

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## A BILL

To amend the American Indian Trust Fund Management Reform Act of 1994 to establish within the Department of the Interior an Office of Special Trustee for Data Cleanup and Internal Control.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. FINDINGS.**

4       Congress makes the following findings:

5               (1) Numerous studies by the Office of the In-  
6       specter General of the Department of the Interior,  
7       the General Accounting Office, and independent  
8       auditors have criticized the absence of independent

1 oversight or other forms of internal control over the  
2 Department's management of Indian trust assets  
3 and trust funds.

4 (2) Indian and tribal account holders have indi-  
5 cated that they will have little or no confidence in  
6 the reform of the trust management system if the  
7 reform is carried out by the same entities that are  
8 responsible for the management of the system on the  
9 date of enactment of this Act.

10 (3) It would constitute an inherent conflict of  
11 interest or at least the appearance of a conflict of  
12 interest if the entity establishing internal controls  
13 for a trust management system were to be ap-  
14 pointed, supervised, and subject to removal by the  
15 entity that such internal controls are written for.

16 (4) Account holder confidence will be improved  
17 if the same official is not simultaneously responsible  
18 for the immediate supervision of the fiduciary and fi-  
19 nancial reporting activities of both the trust fund ac-  
20 counting system and the trust asset and accounting  
21 management system.

22 (5) To the extent practicable, the reform of ac-  
23 tivities and creation of internal controls as described  
24 in the Department of the Interior's Trust Manage-  
25 ment Improvement Project, High Level Implementa-

1       tion Plan dated July 1998, and any amendments or  
 2       modifications to that plan, should be carried out by  
 3       private contractors.

4   **SEC. 2. SPECIAL TRUSTEE FOR DATA CLEANUP AND INTER-**  
 5                   **NAL CONTROL.**

6       The American Indian Trust Fund Management Re-  
 7       form Act of 1994 (25 U.S.C. 4001 et seq.) is amended—

8               (1) by redesignating title IV as title V;

9               (2) by redesignating section 401 as section 501;

10       and

11               (3) by inserting after title III, the following:

12       **“TITLE IV—MISCELLANEOUS**  
 13                   **PROVISIONS**

14   **“SEC. 401. SPECIAL TRUSTEE FOR DATA CLEANUP AND IN-**  
 15                   **TERNAL CONTROL.**

16       “(a) ESTABLISHMENT.—There is hereby established  
 17       within the Department of Interior the Office of Special  
 18       Trustee for Data Cleanup and Internal Control. The Of-  
 19       fice shall be headed by the Special Trustee for Data Clean-  
 20       up and Internal Control (referred to in this section as the  
 21       ‘Special Trustee’) who shall report directly to the Sec-  
 22       retary.

23       “(b) SPECIAL TRUSTEE.—

24               “(1) APPOINTMENT.—The Special Trustee shall  
 25       be appointed by the Inspector General of the De-

1       partment of the Interior from among individuals  
2       who possess demonstrated ability in the—

3               “(A) development and implementation of  
4       internal controls;

5               “(B) development and implementation of  
6       trust management procedures; and

7               “(C) conversion or rehabilitation of trust  
8       management systems.

9               “(2) COMPENSATION.—The Special Trustee  
10      shall be paid at a rate determined by the Secretary  
11      to be appropriate for the position, but not less than  
12      the basic pay payable at Level III of the Executive  
13      Schedule under Section 5313 of Title 5.

14              “(3) TERM OF OFFICE.—The Special Trustee  
15      shall serve for a term of 2 years and may only be  
16      removed for good cause by the Secretary.

17              “(c) DUTIES.—

18              “(1) IN GENERAL.—Notwithstanding title III,  
19      the Special Trustee shall oversee the following sub-  
20      projects as identified in the Draft Trust Manage-  
21      ment Improvement Project Subproject Task Up-  
22      dates, dated April 1999:

23                      “(A) Subproject #1, OST Data Cleanup.

24                      “(B) Subproject #5, Trust Funds Ac-  
25      counting System.

1                   “(C) Subproject #9, Policies and Proce-  
2                   dures.

3                   “(D) Subproject #10, Training.

4                   “(E) Subproject #11, Internal Controls.

5                   “(2) OVERSIGHT.—The Special Trustee shall  
6                   oversee the expenditure of funds appropriated by  
7                   Congress for each of the subprojects described in  
8                   paragraph (1), including the approval or modifica-  
9                   tion of contracts, and make employment decisions  
10                  for each of the positions funded for each of such  
11                  projects.

12                  “(3) CONTRACTING.—To the maximum extent  
13                  practicable, the Special Trustee shall ensure that ac-  
14                  tivities are carried out under this subsection through  
15                  contracts entered into with private entities or  
16                  through the retention of the temporary services of  
17                  trust management specialists.

18                  “(d) MODIFICATION OF IMPLEMENTATION PLAN.—  
19                  To the extent that the activities to be carried out under  
20                  subsection (c) are altered or amended as a result of any  
21                  modification made after the date of enactment of this Act  
22                  to the Department of the Interior’s Trust Management  
23                  Improvement Project, High Level Implementation Plan

1 (dated July 1998), the Special Trustee shall continue to  
2 be responsible for overseeing such activities.”.

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